

Financial Aid for Students

Guides students through the process of locating and applying for financial aid. Prepared by the Congressional Research Service for Members of Congress, updated October 2008.

- The basics: getting started
- Student aid and where it comes from
- Targeted aid for specific groups
- Repaying your loans

The basics: getting started

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Start gathering information early.

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Free information is readily available from:

- High school counselors
- College and career school financial aid offices (where you plan to attend)
- Local and college libraries
- [Student Aid on the Web](#) (U.S. Department of Education)
- Other Internet sites (search terms *student financial aid* OR *assistance*)

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Ask questions: counselors may know if you have exceptional circumstances that affect your eligibility.

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Be organized: use [calendars](#) to keep on track.

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Keep copies of all forms and correspondence: *you must reapply for aid each year.*

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Parents of students: save money long before your child attends college.

[FinAid: for Parents](#)

[College Savings Plan Network](#) (state "Section 529" plans)

Tax incentives for higher education expenses

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Good overviews:

[Cash for College](#)

[FinAid: The Smart Student Guide to Financial Aid](#)

[Financial Aid: You Can Afford It](#)

[Looking for Student Aid](#)

[Mapping Your Future](#)

[Paying for College](#)

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Beware of scholarship scams -- don't pay for free information!

[Department of Education](#)

[Federal Trade Commission](#)

Student aid and where it comes from

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Basic assistance categories:

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Financial need-based

Remember that students and their parents are responsible for paying what they can-- financial aid is a supplement, not a substitute, for family resources.

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Non need-based

Factors include academic excellence, ethnic background, or organization membership. Corporations may also offer assistance to employees and children.

Federal Student Aid:

- Provides nearly 70% of student aid under Loans, Grants and Work/study programs.
- Available to all need-based applicants; some loans and competitive scholarships for non need-based.
- Free information from the United States Department of Education:
 - [Student Aid on the Web](#)
 - [Financial Aid Resource Publications](#)
- **Loans** are the most common federal aid and must be repaid when you graduate or leave college.
 - Stafford Loans (FFELs and Direct Loans) include:
 - [Federal Family Education Loans](#) (FFEL) from private lenders, such as banks and credit unions, guaranteed by the federal government.
 - [William D. Ford Direct Loans](#) (DL) directly from the federal government.
 - [Federal PLUS Loans](#) parental loans, not need-based.
- [Perkins Loans](#) [[Download a free PDF reader](#)] for the most needy undergraduates; through participating schools.
- **Scholarships/grants** are mostly need-based and require no repayment:
 - [Pell Grants](#)
 - [Federal Supplemental Educational Opportunity Grants](#) (FSEOG)
- **Other grants, scholarships, and fellowships**, mostly graduate level: search the [Catalog of Federal Domestic Assistance](#) (CFDA) by *Beneficiary*, such as "Student or Trainee" or "Graduate Student".
- **"Congressional" scholarships:**

- Named for Member of Congress or other prominent individual (such as Byrd Honors Scholarships, Fulbright fellowships)

- Merit-based and highly competitive
- Members of Congress do *not* play a role in selecting recipients
- Search by *Beneficiary* in the [Catalog of Federal Domestic Assistance](#)

- **Work study** programs allow you to earn money while in school:
- [Federal Work Study Program](#) : college campus jobs
- [Student Educational Employment](#) : jobs with the federal government

- For questions not covered by the Department of Education Web site, call the **Federal Student Aid Information Center** at 1-800-433-3243.

States offer residents a variety of scholarships, loans, and tuition exemptions.

- Check with your [State Higher Education Agency](#) and [State Guarantee Agency](#) .
 - Consider prepaid tuition and college savings ("Section 529") plans: [College Savings Plans Network](#)
 - Search your Internet browser under terms such as **student financial aid** or **assistance A**
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your state
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Colleges and universities provide some 20% of aid, most need-based. Check [university Web sites](#) and the institution's financial aid office when you apply for admission.

Private foundations, corporations, and organizations offer scholarships or grants:
[College Board Scholarship Search](#)
[FastWeb](#)
[Grants for Individuals](#)

Targeted aid for special groups

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- [Grants for Minorities](#) : Asians, Blacks, Hispanics, Latinos, Native Americans, and Other Ethnic Groups
- African Americans: [For Students: Scholarships](#)
- Disabled students: [HEATH Resource Center](#) [[Download a free PDF reader](#)]
- Foreign students: [Financial Aid for International Students](#)
- Hispanic Americans: [Scholarships](#)
- [Financial Aid for Law School](#)
- Medical students: [Financing Your Medical Education](#)
- Native Americans: [American Indian College Fund](#)
- Study abroad (for U.S. and non-U.S. citizens): [International Financial Aid](#)
- Veterans: [Education Benefits](#)

Interested in public service?

Federal assistance programs seek to encourage people to work in geographic areas or professions where there's a particular need (such as doctors in underserved areas); encourage underrepresented groups to enter a particular profession; and provide aid in exchange for services provided (such as military service).

- [AmeriCorps Education Award](#)
Volunteers who complete one year of service receive an education award for current higher education expenses or to repay student loans.
- [Army Tuition Assistance](#)
Additional benefits for Army personnel.
- [Bureau of Health Professions](#)
Scholarships and loans to needy health profession students from disadvantaged backgrounds.
- [e-Scholar](#)
Scholarships, grants, fellowships, internships, and cooperative education with federal agencies.
- [Indian Health Service](#)
Scholarships for American Indian/Alaskan Native health profession students and loan repayment for persons working in IHS facilities.
- Military academies:
 - [United States Air Force Academy](#)
 - [United States Coast Guard Academy](#)
 - [United States Merchant Marine Academy](#)
 - [United States Military Academy](#)

[United States Naval Academy](#)

- [National Health Service Corps](#)

Scholarships and loan repayment for health profession students who agree to work in underserved areas.

- [Nursing Scholarships](#)

Offered in exchange for two years of service in areas with critical nursing shortages.

- Reserve Officers Training Corps (ROTC)

For students who want to be commissioned as officers after graduating from college.

[United States Air Force ROTC](#)

[United States Army ROTC](#)

[United States Navy ROTC](#)

Aid for private K-12 education: No direct federal assistance, check with schools themselves:

- [Coverdell Education Savings Accounts](#) : for elementary and secondary school expenses as well as higher education.
- [Children's Scholarship Fund](#) : partial tuition assistance to low-income students.

Repaying your loans

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After college, the **federal government** has ways to help you [repay your loans](#) .

- Eligibility depends upon the type of loan, when it was made, and whether it's in default. Check with your loan officer to find out if you qualify.

- [Loan Consolidation](#) : combine your federal loans into a single loan with one monthly payment.

- Sometimes loans may be canceled in exchange for public service.

Teachers: [Cancellation/Deferment Options](#)

Health professions: [National Health Service Corps](#)

Federal employees: [Federal Student Loan Repayment Program](#)

- If you are having problems with your loan and all other approaches fail, contact the Department of Education's [Office of the Ombudsman](#) .

States, schools, and some private employers provide help in repaying loans in exchange for public service.

- Law school graduates: [State Loan Repayment and Forgiveness Programs](#)
- Medical school graduates: [State Loan Repayment Program](#)

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